



The Inter-American Foundation Fiscal Year 2000 Active Grants Results Report





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EXECUTIVE SUMMARY

The Inter-American Foundation partially achieved the planned goals for Fiscal Year 2000. It had hoped to fund 80 new partnerships, but supported only 49. It had hoped to establish six partnerships or joint ventures with U.S.-based corporations and mobilize \$4.75 million from these corporations, but it established fewer partnerships and mobilized fewer resources. Compromising the IAF's success in this area was the merger of the Office of External Affairs, charged with the Social Investment initiative, and the Office of Programs. The Social Investment initiative was folded into the Local Development strategy due to budget constraints. Other goals established for the year, however, were exceeded. The results achieved from on-going projects funded in years prior to Fiscal Year 2000 were as follows:

- ❖ The IAF's established goal of improving, by Fiscal Year 2000, the lives of 40,000 poor families in Latin America and the Caribbean was surpassed. More than 70,000 beneficiaries, mostly heads of households, reported that IAF-supported projects had positively impacted their lives. Many women and children benefited from improvements in housing, education, health and training in vocational skills.
- ❖ Grant beneficiaries received training in a wide range of techniques and skills needed to improve their living conditions. Many acquired skills in agriculture and environmental conservation and knowledge in project planning and evaluation. They also developed skills in leadership, civic participation, construction and manufacturing. Women made up a large proportion of beneficiaries who received training, acquiring knowledge and skills in non-traditional areas such as

manufacturing, financing, marketing and planning. The four areas in which women participated effectively are related to grants with a loan component.

- ❖ IAF-supported projects created more than 4,500 new jobs. In addition, 8,392 jobs were improved and 7,952 jobs were saved that otherwise might have been eliminated. A variety of new jobs was created and maintained.
- ❖ Many beneficiaries reported that project activities increased their leadership and communication skills. Of those reporting heightened leadership skills, 41 percent were women. Similarly, more than 11,000 beneficiaries reported project activities increased their problem-solving skills. Of those reporting greater problem-solving skills, 45 percent were women. In Fiscal Year 2000, 13,952 men and 12,763 women reported an increase in their self-esteem.
- ❖ Grantees mobilized \$5.3 million: 54 percent from international sources, 30 percent from public and private sectors at the national level, and 16 percent from local contributors. They mobilized \$4.5 million in cash and \$800,000 in kind. In addition, \$3.9 million were negotiated and channeled by IAF grantees to grassroots organizations during Fiscal Year 2000.
- ❖ Grantees reported affiliations with 5,146 national and 241 foreign organizations and/or associations. They also established links with 161 national and 55 foreign networks. As expected, non-governmental organizations and community groups have cooperated with grantees in very meaningful ways to support IAF-funded project activities. Religious organizations

played a lesser role than non-governmental organizations and the private sector. Grantees established 329 partnerships of community-based organizations, private sector firms and international organizations.

- ❖ Grantees reported 293 speeches or presentations reached more than 13,000 people. There were 648 different pamphlets and brochures produced with more than 100,000 copies distributed. Also, 197 magazine and newspaper articles were published, reaching a readership of about 450,000. Thirty-one books were published and more than 2,000 copies distributed. Twenty-six multimedia products such as films and videos were also produced and distributed, as well as nine compact discs (CD-ROM).
- ❖ Grantees helped implement legal measures with impact at the local and national level. Four legal measures were enacted and one was implemented at

the national level; three were passed and one was implemented at the regional level; 32 were enacted and 13 implemented at the local level. These included environmental policies, potable water regulations and others.

- ❖ Some project activities were affected negatively by contextual factors over which grantees or the IAF had little control. Local and national elections and the change of officials adversely affected some grantees. Some newly elected officials were not as committed to or invested in project activities as previous authorities. Often, prices of agricultural products fluctuate in a global market and grantees have no way of preventing such fluctuations. Many grantees lost production to climate conditions as well.



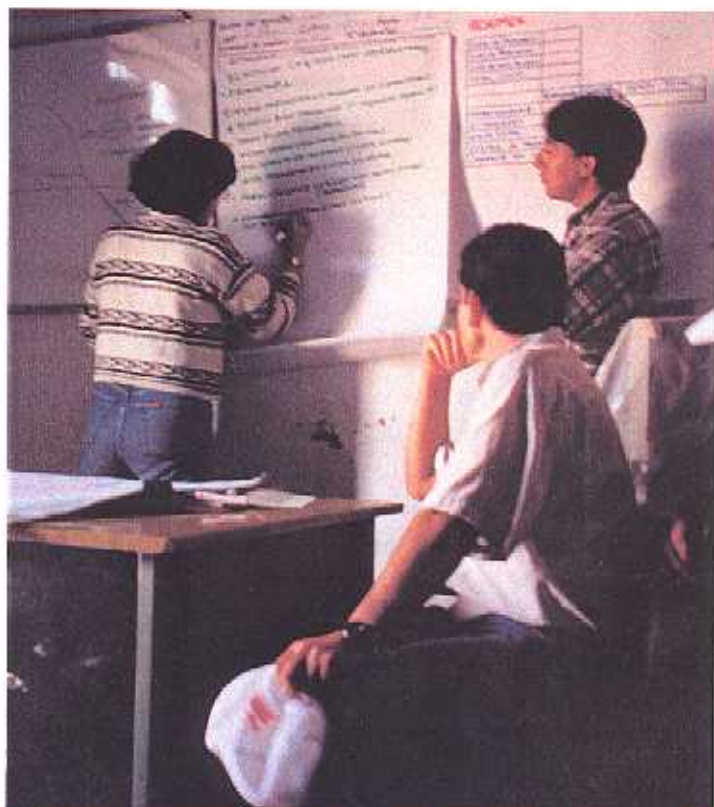
INTRODUCTION

This report summarizes the results of Inter-American Foundation (IAF) grants active in Fiscal Year 2000. The IAF provided more than \$11.4 million¹ in funding in 14 countries in Latin America and the Caribbean², supporting 49 new grants and 13 grant supplements, each with a partnership involving some combination of community-based groups, non-governmental organizations, and/or the public and private sector.

Due to the engagement of new monitors and the accompanying transition, the data reported here cover only a portion of grant results attained during Fiscal Year 2000. In Fiscal Year 2001, however, the proportion of grant results reported will increase significantly. Grant monitors will visit all new and active grants and will report to the IAF results attained with respect to all its grants during Fiscal Year 2001.

¹The IAF obtained a \$885,000 donation from Raytheon Corporation and the Levi Strauss Foundation.

²New grants and grant supplements were awarded in Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Mexico, Nicaragua, Panama, Peru and Venezuela. A grant was awarded to the Latin American region as a whole.



Farmers from La Grama discuss the impact of new agricultural techniques on their production. Isabel Díaz (local researcher) takes notes as Gilmer Muñoz Espinoza of the Asociación para el Desarrollo Rural de Cajamarca (ASPADERUC) looks on, in La Grama, Cajamarca, Peru. (Photo: Courtesy of EDC)



Residents of Koari, Centro the Acción Social para el Desarrollo Comunitario (CASDEC) staff and partnership researchers at the nursery and training center financed in part by the IAF at Koari in Cochabamba, Bolivia. (Photo: Courtesy of EDC)

CONTEXTUAL FACTORS

Local and National Elections. Local and national elections affected project activities supported by the Inter-American Foundation. An IAF grantee, TADEPA (PU-470) in Peru, lacked community participation in project activities during the period preceding the presidential election of 2000 because political parties offered food and agricultural tools in exchange for participation in the campaign. Many project beneficiaries joined the campaign, leaving project activities unattended. In El Salvador, municipal elections affected an IAF grantee, FUNDE (ES-175), because resources committed to the project by the previous mayor of Soyapango were not delivered by the newly elected mayor. In Panama, resources committed to IAF grantee AFV (PN-262) by officials of previous administrations under the Democratic Revolutionary Party were not delivered by newly elected local officials from the Partido Arnulfista, and the project is now stalled. On the other hand, the re-election of the mayor of Nejapa solidified the partnership of the municipality with FUSAI (ES-174), an IAF grantee.

Economic. The dollarization of Ecuador affected some IAF grantees. During the transition from sucres, the national currency, to U.S. dollars, the Ecuadorian government imposed a bank holiday wherein all bank accounts were frozen. Many uninsured accounts were lost. FUDEC (EC-365), an IAF grantee, lost its

deposits, including IAF funds. Another grantee, CEPUCU (EC-363), lost about \$50,000 in the conversion to U.S. dollars. In Peru, demand for farm products, such as garlic and black corn, declined because prices dropped 40 percent, affecting IAF grantee ASPADERUC (PU-477). The decline in farm prices was attributed to foreign competition. In Honduras, two IAF grantees, FUNBANHCAFE (HO-222) and INADES (HO-224), were affected by declining coffee prices. Coffee prices fell 37 percent, from more than \$186.00 per 60-kilogram bag in 1998 to \$118.00 per bag. Consequently, coffee workers were unemployed, including many beneficiaries of IAF-supported projects. To combat lower coffee prices, IAF grantees in Honduras provided farmers technical assistance to grow organic coffee, which enjoys a higher demand in European markets. They also encouraged small coffee growers to diversify production rather than depend on a sole product. In Colombia, the Gross National Product (GNP) contracted 4 percent.

Weather. Severe drought and heavy rains also affected IAF-supported project activities. In Peru, IAF grantee TADEPA (PU-470) lost significant crop production during Fiscal Year 2000. Farmers could not repay loans used for agricultural production.



GRANT RESULTS ACHIEVED IN FISCAL YEAR 2000

Since awarding its first grant in 1971, the IAF has provided more than \$514 million in funding to 4,306 projects designed and implemented by local groups and non-governmental organizations. During Fiscal Year 2000, the IAF's obligations totaled \$19.6 million (\$10.8 million in Congressional appropriations—\$5 million for FY 2000 and a \$5.8 million carry-over from previous years—and \$8.8 million from the Social Progress Trust Fund). These funds were used to support 49 new projects and to supplement 13 ongoing projects. Throughout this section, two completed grants are profiled to illustrate details of the types of projects and results described in this report.

The data are presented as the impacts are conceptualized and illustrated in the *Grassroots Development Framework* (GDF) (see insert). The report starts with grant results at the individual and family level, followed by grant results at the organizational level, and grant results for society at large. It is important to note that data on intangible results are reported for the first time, and that the IAF will continue to refine reporting on intangible as well as tangible results.

WHAT IS GRASSROOTS DEVELOPMENT?

Grassroots development is community-based change through participatory, self-help initiatives. The primary objective is to improve the quality of life for the poor and disadvantaged. For the IAF, development encompasses a broad agenda, which includes not only increasing income, but also improving literacy rates, housing conditions and health. Grassroots development encourages the growth of democratic institutions and more. The IAF's 30 years of experience demonstrates that development programs must involve beneficiaries in project design and implementation if programs are to yield long-term, sustainable results. This approach, working with the beneficiary as a partner and finding solutions at a local community level, is what defines development as grassroots.

In recent years, donor agencies such as the World Bank and the Inter-American Development Bank have come to see the value in this approach, which the IAF pioneered in 1969. Assessing aid and its impact has become a priority for donor agencies around the globe. To evaluate its own projects, the IAF created in 1994 the GDF.

WHAT IS THE GRASSROOTS DEVELOPMENT FRAMEWORK?

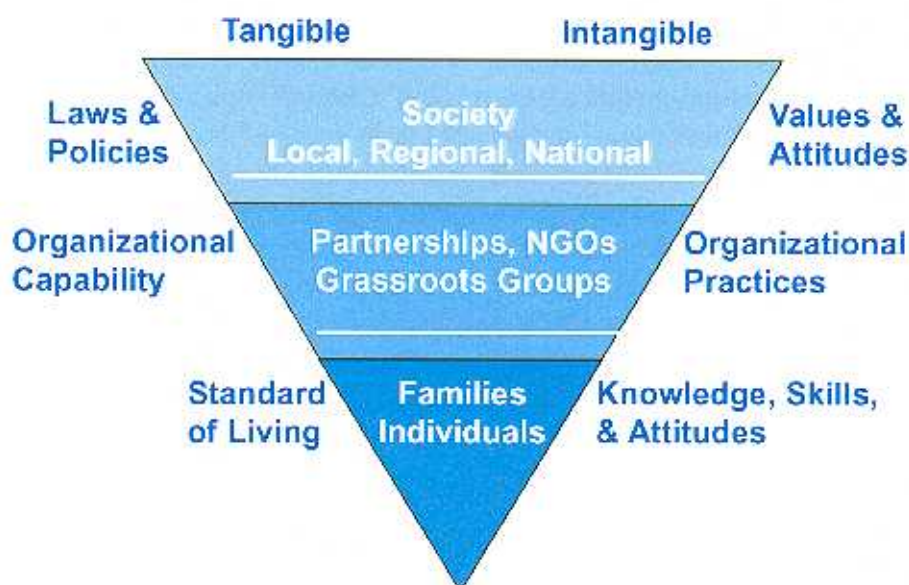
In the world of growing demand and dwindling resources, results are vital. Results inform decisions, signal challenges and confirm success. That is why the IAF devised a system to measure results in development projects. Based upon lessons learned from supporting more than 4,300 projects, the IAF created the GDF. Since the pilot testing and application of the GDF across the region, several international development assistance organizations have consulted the IAF about adapting the GDF to their own needs.

The GDF serves both the grantee and the donor. The GDF provides a grantee with a means of setting goals to be achieved in the development project and provides a balanced mechanism for reporting the achievements and the shortcomings of that project. The GDF provides donors with a tool to measure impact.

HOW DOES THE GDF WORK?

In business, profits are the bottom line. In grassroots development, a project must generate material and other benefits to effect an improvement in the quality of life for the poor. Because poverty is not merely a lack of income but a lack of access to a range of necessities (including education, health care, housing and the ability to participate as an active citizen), the GDF merges those indicators into one tool.

THE GRASSROOTS DEVELOPMENT FRAMEWORK



The IAF experience demonstrates that each project plants a seed for change and that grassroots development produces results for individuals, organizations and society. The GDF cone pictured represents the ever-widening impact of a grassroots development project, from individuals to organizations to society at large—the three LEVELS of the GDF. The darker color at the INDIVIDUALS level indicates that benefits derived are more direct. The lighter shadings encountered at the ORGANIZATIONS and SOCIETY levels indicate results that are a consequence of multiple factors.

Moreover, a development project is a special kind of investment that provides tangible and intangible returns. The GDF is divided into two SECTIONS to measure both types of benefits. The IAF determines how a project addresses the broad agenda of development through six CATEGORIES of needs: Standard of Living; Knowledge, Skills and Attitudes; Organizational Capability; Organizational Practices; Laws and Policies; and Values and Attitudes. Within these categories are 42 INDICATORS, which measure results at each level: Individuals, Organizations, Society. Reports applying the GDF include quantitative and qualitative analyses to assess the progress of a grassroots development project.

IAF GRANTS IMPROVED LIVING CONDITIONS

Educational Improvements. In Fiscal Year 2000, more than 12,000 beneficiaries received training in basic education, or reading and writing. Of this total, 55 percent were adult women. The data also indicate the majority of those receiving basic education training were in Brazil (6,152) and El Salvador (3,043). For example, 2,700 adults and youngsters from Cangaíba, Ferraz de Vasconcelos and Guinazes, three

very poor districts of São Paulo, received training in subjects similar to those covered in the first grade curriculum throughout Brazil. Some 150 teachers and 20 training coordinators of Ação Educativa (BR-765) led the training.

Health Improvements. Table 1 indicates the number of beneficiaries reporting an improved standard of living thanks to grant activities in health. These health activities included preventive medicine or nutrition, potable water, vaccinations, latrines, trash removal, and curative medicine or medical care.

Table 1: Health Activities

Health Activities	Number of Beneficiaries
Better diets	31,136
Medical care	7,681
Vaccinations	5,788
Installation of potable water	16,696
Installation of latrines	5,417
Trash removal	15,796

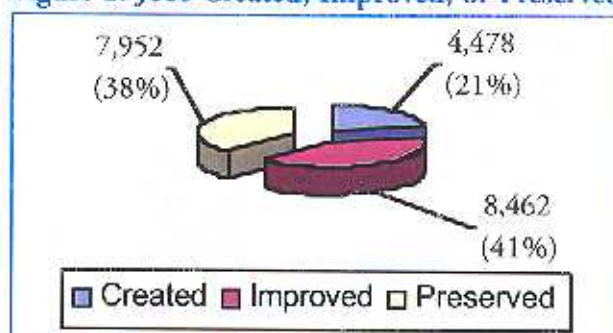
Table 2: Home Improvements

Housing Improvements	Number of Beneficiaries
Electric power installation	532
New houses	597
Additions	4,598
Sewer line connection	915

For example, in El Salvador, the Patronato para el Desarrollo de las Comunidades de Morazán y San Miguel (ES-180) provided small loans to 140 farmers to expand crop production. Farmers reported production sales yielded higher incomes, which were used to repay loans and purchase food supplies for family consumption. Increased food supplies improved family diets and health conditions. In Panama, 3,330 beneficiaries reported an improvement in their standard of living when they gained access to potable water. The Instituto Panameño de Desarrollo Municipal (PN-259) mobilized \$113,000 in cash from UNICEF to install water systems in 482 homes to improve living conditions of families.

Home Improvements. Table 2 indicates 507 families acquired new homes, and more than 4,500 families made significant improvements to their old ones, added rooms, installed electricity or connected to sewer services. Loans and technical assistance made this possible. Fundación Hábitat y Vivienda (FUNHAVI, grant ME-417) in Mexico provided beneficiaries more than \$150,000 and its partner, Salud y Desarrollo Comunitario (SADEC), more than \$65,000 in small loans for housing construction at below-market rates of interest. FUNHAVI also provided 96 loans for home improvement. Beneficiaries of the Colegio Mayor Universitario (CMU, grant AR-325) project in Argentina learned construction skills and applied them to build 10 new homes benefiting 10 families and 50 individuals. In Nicaragua, Espino Blanco y Compañía Limitada (NC-230) built eight new homes benefiting 27 family members and improved 17 homes by installing new roofs and floors, benefiting 56 individuals.

Grants Created Jobs and Preserved Others. This indicator refers to the number of beneficiaries for whom, through grant activities, new jobs were created, jobs were preserved that might have been eliminated, or jobs were improved with better pay or work conditions. In Fiscal Year 2000, IAF-supported projects created more than 4,500 new jobs in six countries. In addition, 8,392 jobs were improved and 7,952 jobs were saved that otherwise might have been eliminated.

Figure 1. Jobs Created, Improved, or Preserved

Grantees in the Dominican Republic and El Salvador created a significant number of new jobs. For example, the Fundación EDUCA (DR-303) in the Dominican Republic created 48 new teaching/facilitator positions in its educational center for pre-school children. In El Salvador, the Asociación Cooperativa de Producción Agropecuaria (El Remolino, grant ES-164) created 42 new jobs. New hires included a tractor driver to plow agricultural fields, a cattle worker and 40 women to work the crops.

**Table 3: Jobs Created, Improved, and Saved
by Country**

Country	Jobs Created	Jobs Improved	Jobs Saved
Argentina	62	65	106
Bolivia	11	410	Not reported
Brazil	266	170	1,059
Colombia	Not reported	Not reported	Not reported
Dominican Republic	1,230	38	Not reported
Ecuador	63	789	181
El Salvador	848	1,861	855
Guatemala	357	19	558
Haiti	60	Not reported	Not reported
Honduras	196	1,457	819
Mexico	443	1,606	Not reported
Nicaragua	614	114	657
Panama	69	253	50
Peru	197	570	1,706
Venezuela	120	1,040	1,961
Total	4,538	8,392	7,952

The Federación Estatal de Sociedades de Solidaridad Social Cobanaras (ME-413) in Mexico created 194 new jobs through its loan program to low-income families. With the loans, beneficiaries established tortilla shops, bakeries and grocery stores. Fundación Juan Diego, also in Mexico (ME-418), helped improve 1,600 jobs by providing low interest loans to establishments, thereby improving working conditions.



Margarita Mendoza and her husband in the store she initiated and expanded through a microcredit loan from the IAF-funded local development fund, Consorcio Interinstitucional para el Desarrollo Regional (CIPDER), in Cajamarca, Peru. (Photo: Courtesy of EDC)

Example 1.

ASOCIACIÓN COOPERATIVA DE PRODUCCIÓN AGROPECUARIA, LA CONCORDIA EL SALVADOR (ES-162)

The Asociación Cooperativa de Producción Agropecuaria, La Concordia (ES-162) is an agricultural production cooperative founded in 1981. The cooperative is comprised of small-scale farmers whose principal activity is coffee and basic grain production on individual plots, averaging three-quarters of an acre.

The IAF supported La Concordia in 1995 with an \$80,000 grant to improve the economic conditions of its members. At the time of the funding, the cooperative members had hardly any income from coffee production, due to the low yields per acre. Soil erosion also was a limiting factor in coffee production. The IAF grant aimed to increase coffee yields by replacing trees susceptible to blight with pest-resistant coffee trees adaptable to the ecological conditions of La Concordia's terrain. The grant also sought to prevent soil erosion by inter-cropping citrus trees with coffee trees. After five years, La Concordia's results are as follows:

- ❖ Soil erosion was prevented by inter-cropping 14 manzanas, or 100 percent of the goal, with orange, tangerine and lemon trees, plus a new variety of coffee tree. (One manzana equals 1.6 acres.)
- ❖ On an extension of 27.5 manzanas, or 137 percent of the goal, the less resistant Bourbon variety of coffee trees was replaced with the "pacas" variety, which is adaptable to the ecological conditions in the region.
- ❖ The yield of coffee trees per manzana increased by 365 percent, from two quintals per manzana to seven and three-tenths quintals per manzana. (One quintal equals 100 kilograms or 220 pounds.) The goal was to increase the yield by 25 percent over five years.

- ❖ Twenty-three cooperative members and 47 youths (20 boys and 27 girls), received training in farming coffee, citrus and basic grain as well as in administrative practices. All members are applying their newly acquired knowledge and techniques to their daily work.
- ❖ La Concordia brokered \$20,670 from the Habitat Foundation to build seven new homes, benefiting 42 individuals.

La Concordia faced some difficulties in the process. The long vegetative properties of the citrus trees, which take at least five years to bear fruit, dampened overly optimistic projections at the beginning of the project. When the grant terminated in July 2000, the citrus trees had not yet produced. Coffee production was affected by Hurricane Mitch in 1998, El Niño and low prices. All of these factors affected the growth and expansion of the cooperative.

The project has not mobilized resources as expected. Revenues at the end of the project were \$44,105, compared to \$150,000 expected in five years. Coffee prices were down from \$106.28 per quintal in the second year of the grant to \$29.71 per quintal in the fourth year. At the beginning of the project, the grantee estimated a price of \$114.00 per quintal throughout the life of the grant. La Concordia hopes for increased production, higher coffee prices and a brighter future.

Grant Beneficiaries Acquired Knowledge and Skills. Table 4 indicates grant beneficiaries received training in various techniques and skills needed to improve their living conditions. Many beneficiaries acquired skills in agricultural and environmental techniques and knowledge in project planning and evaluation. They also acquired skills in leadership, civic participation, construction and manufacturing.

Table 4: Knowledge and Skills Acquired

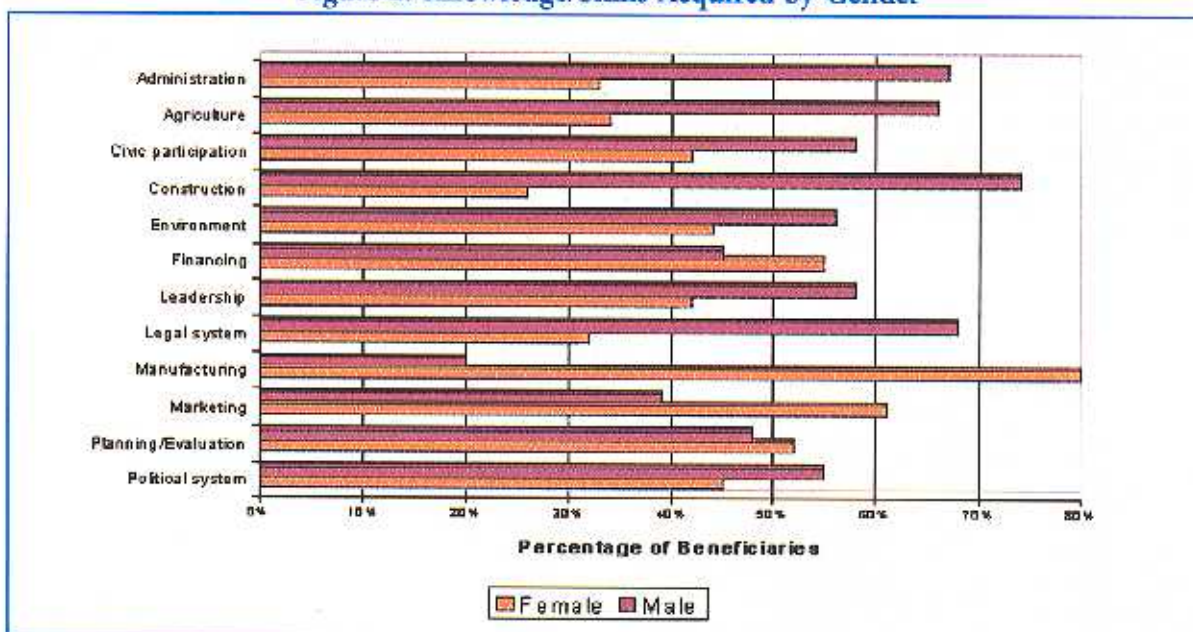
Areas	Number of Beneficiaries
Agriculture	18,084
Manufacturing	3,355
Construction	4,505
Environment	13,029
Management	6,861
Marketing	3,923
Planning/Evaluation	14,701
Leadership	8,004
Civic participation	5,326
Legal system	2,919
Financing	2,531
Political system	1,937

The chart below indicates that women acquired knowledge and skills in non-traditional areas such as manufacturing, financing, marketing and planning. The four areas

in which women participated effectively relate to grants with a loan component. For example, loans were provided to women micro-entrepreneurs to start, maintain or expand small food production or sales businesses. A grantee in Peru, Alimentos del Sur (PU-491), trained 243 men and 177 women in the production of organic fertilizers from animal and crop waste. Farmers received training in soil conservation methods and in fertilizer and insecticide application techniques. The Taller de Promoción Andina (TADEPA, grant PU-470), also in Peru, trained 130 men and 46 women farmers. Through demonstration plots established by TADEPA, farmers learned to grow prickly pears and to identify crop diseases.

Grant Beneficiaries' Applied Knowledge and Skills. This indicator refers to the number of beneficiaries who applied to their daily life the new knowledge and/or skills acquired through grant activities. Grantees reported the majority of project beneficiaries who acquired knowledge and skills applied them immediately. For example, grant beneficiaries of the Asociación Coordinadora de Comunidades Unidas de Usulután in El Salvador (COMUS, grant ES-182) used the newly acquired knowledge in organic fertilizers to improve the quantity and quality of coffee production. The Cooperativa de Comercialização de Produtos Agro-Industriais de Vila Valério (COOPAVIVA, grant BR-770) in Brazil trained 98 health promoters in the production and sale of herbal

Figure 2. Knowledge/Skills Acquired by Gender



medicine. Promoters are using their newly acquired skills to train 1,600 individuals to assist others in the community. The Corporación para el Desarrollo de los Recursos Naturales Renovables in Ecuador (CEDERENA, grant EC-374) trained 127 men and 41 women in organic farming practices. Of those who received the training, 93 percent are applying the techniques learned in their farms.

Table 5: Application of Knowledge and Skills Acquired

Areas	No. of Beneficiaries
Agriculture	12,883
Manufacturing	2,167
Construction	3,716
Environment	15,430
Management	5,563
Marketing	3,994
Planning/Evaluation	4,182
Leadership	5,115
Civic participation	4,675
Legal system	693
Financing	1,755
Political system	541

Leadership and Communication. The leadership indicator refers to the number of beneficiaries who increased, through grant activities, their knowledge and/or skills to lead or guide others in accomplishing activities and goals. Many beneficiaries reported project activities increased their leadership skills. Of those who reported increased leadership skills, 41 percent were women. In Mexico, in particular, the Fundación Comunitaria Oaxaca (FUNCOM, grant ME-415) reported that 582 women growers of amaranth increased their skills to lead or guide others in accomplishing their activities. The Fundación para el Financiamiento Rural (FUNDAFIR, grant VZ-180) in Venezuela reported the establishment of *cajas rurales* or *bankomunal* (communal banks run by project beneficiaries). The training of community members to manage them and the involvement of bank customers/members in the decision-making process to determine bank participants and policies to regulate bank growth and operations, created a cadre of leaders in these communities. Most of the beneficiaries who reported increased leadership skills were women, or 147 out of 196. In addition, five customers/members ran for local office in the last election, and two were elected to assembly positions.

Also, 2,715 beneficiaries reported project activities improved their ability to express ideas and opinions clearly. Of those who increased their communication skills, 45 percent were women. In Honduras, 250 women beneficiaries of the Asociación SOLITAS (HO-233) received workshops in self-esteem and personal growth from the grantee, increasing their communication skills. SOLITAS also trained low-income single mothers who work in markets around the capital of Honduras in conflict resolution, resulting in better lives at home and at work.

Table 6: Leadership Skills by Gender

Leadership	Men	Women	Total
Increased skills	4,703	5,098	9,931
Same skills	2,734	2,397	5,131
Diminished skills	8	7	15

Table 7: Communication Skills by Gender

Communication	Men	Women	Total
Increased skills	6,330	5,181	11,511
Same skills	7,059	5,604	12,663
Diminished skills	2	1	3

Problem-Solving Skills. This indicator refers to the capacity, as a result of grant activities, to analyze a problematic situation or set of circumstances and plan and carry out a course of action. More than 11,000 beneficiaries reported project activities increased their problem-solving skills. Of those who reported increased problem-solving skills, 45 percent were women. The Red Nacional de Alfabetización de Honduras (RNAH, grant HO-227) illustrated how beneficiaries analyzed a problem and came up with a solution. RNAH failed to leverage enough funds from its partners and other donors to build, as planned, the local library in the village of Tapaire. Beneficiaries, however, decided to raise the funds to build the library through weekly bingo games and the showing of films, and they were successful. In Nicaragua, beneficiaries of the Centro para la Conservación de la Naturaleza y el Desarrollo (CONADES, grant NC-225) increased their ability to resolve problems and are trying to prevent them by planning ahead. Also, beneficiaries are solving problems

among themselves. For example, farmers settled land disputes among neighbors, whereas in the past, community or religious leaders had to intervene.

Self-esteem. Self-esteem is defined as an increase in confidence level enabling grant beneficiaries to devise and implement plans to improve their lives. In Fiscal Year

Example 2.

FUNDACIÓN CREDIMUJER IN PANAMA (PN-257)

The Fundación Credimujer (PN-257) was established in 1992 to provide training and technical assistance to low-income women with small or micro-businesses. In August 1997, the IAF awarded a \$123,000 grant to expand from five to 60 the community banks supported by Credimujer, and to capitalize its individual credit program. Credimujer's accomplishments have been remarkable; it surpassed most of its objectives. Among the results achieved are the following:

- ❖ Eighty-four volunteer trainers and mentors participated in four workshops on training techniques for promoting community banking, or 100 percent of the goal.
- ❖ Eight hundred sixty-one women, or 107 percent of the goal, participated in 58 community banks, and 28 women, or 53 percent of the goal, benefited from the individual credit fund, receiving loans, which allowed them to engage in income-generating microentrepreneurial activities.
- ❖ Nine hundred thirteen women microentrepreneurs, or 152 percent of the goal, were trained in community bank formation, business administration, credit

management, accounting, pricing, marketing and personal development.

2000, 13,952 men and 12,763 women reported an increase in their self-esteem. In the Dominican Republic, the Centro de Educación para la Salud Integral (CESI, grant DR-296) reported that self-esteem among its beneficiaries increased as a result of an upsurge in economic activity in the area where CESI operates. CESI reported

- ❖ Credimujer created 58 community banks, or 97 percent of the goal. Of those, 42 are still operating.
- ❖ Credimujer mobilized \$140,043 from various international and domestic sources such as the Agency for International Development, the Peace Corps, the Inter-American Development Bank, the International Labor Organization, the Institute for Cultural Events of Spain, the Federation of Businesswomen and Professionals, and the Social Investment Fund. The target at the beginning of the project was to raise \$102,000. Credimujer surpassed the goal by 37 percent.

Credimujer conducted a beneficiary survey that revealed 74 percent of the respondents improved their diet, 45 percent improved their homes, 34 percent benefited from preventive health check-ups, and 68 percent benefited from education. Finally, Credimujer's success in achieving a low delinquency rate with its loan program is attributed to the policy of close supervision and continuous training of its beneficiaries.

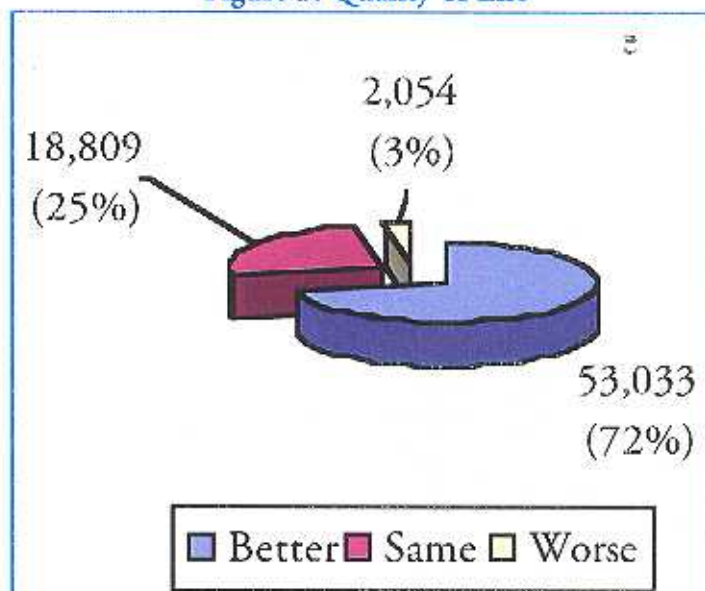
migration has come to a halt and the area is currently experiencing an influx of former residents attracted by improved living conditions.

Innovation/Adaptability. The intangible indicator innovation and/or adaptability refers to the number of beneficiaries using and/or adapting more effective and/or efficient strategies, methods, or approaches to achieve their objectives. During the fiscal year, 3,265 men and 2,133 women reported increased ability to innovate and adapt. In Nicaragua, for example, the Asociación Aldea Global - Jinotega (PAGJINO, grant NC-222) reported that 60 percent of the beneficiaries (708 farmers) trained in sustainable farming practices and used new techniques to deal with droughts and heavy rains affecting production. To offset revenues lost when Pil Andina, the local dairy plant, could not purchase the quantities of milk originally agreed upon, dairy farmers of the Servicios Alternativos para la Producción (JATHA, grant BO-465) in Pusucani, Bolivia, used their micro-irrigation systems intended for pasture lands to grow vegetables.

Improvements in Quality of Life. Beneficiaries of IAF-supported projects reported project activities have had a positive impact on their quality of life. Figure 3 indicates that 73,896 beneficiaries reported on the quality of life indicator. Out of this total, 72 percent reported IAF-supported projects had a positive impact, while the other 28 percent reported their situation did not change or stayed the same. Positive changes reported included, for example, that 182 beneficiaries of Fundación Natura (NC-249) in Nicaragua increased their income and, subsequently, had more food supplies and better diets for family members, mainly children. Negative changes reported included, for example, that 332 beneficiaries of the Centro de Estudios para el Desarrollo Regional (CEDER, grant PU-481) in Peru reported worsening

living conditions due to the drop in oregano prices. Lower prices of oregano in Peru were attributed to the downturn of the economy and the political unrest the country has faced since early 2000.

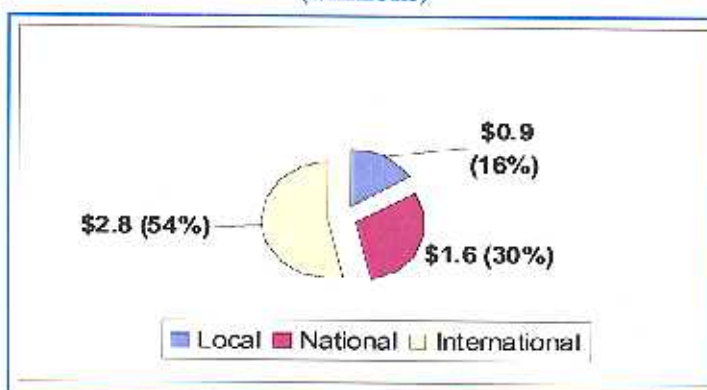
Figure 3. Quality of Life



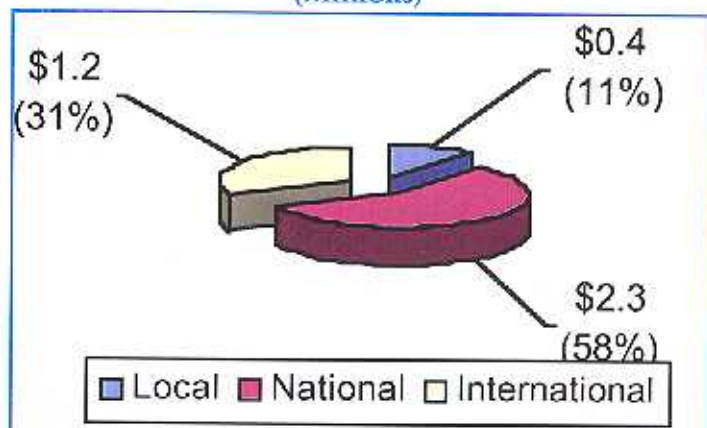
IAF GRANTS STRENGTHEN ORGANIZATIONS

Resources Mobilized. IAF grantees assure the sustainability of their projects through mobilizing or brokering resources. The resource mobilization indicator measures the funds raised by the grantee to cover its operating expenses and support grassroots development efforts beyond the IAF grant. The leveraged resources are financial, material or human, and are derived from international, national or local sources. Examples of mobilized international resources include funds from international donor agencies or loans negotiated with multilateral banks or organizations. National resources constitute subsidies, loans or contracts from public sector entities, and funds, goods, or services obtained from the private sector. Community resources include membership dues, cash contributions or volunteer labor. Internally generated resources are revenues from income-generating activities, goods or services. Examples of in-kind resources mobilized include training, infrastructure and technical assistance.

**Figure 4. Resources Mobilized
(Millions)**



**Figure 5. Resources Brokered
(Millions)**



Grantees reported only resources—cash and in-kind—received during Fiscal Year 2000. Because of changes in the definitions of these two measures, this report contains only data reported in the second half of the fiscal year.

Figure 4 indicates that grantees mobilized \$5.3 million: 54 percent from international sources, 30 percent from public and private sectors at the national level, and 16 percent from local contributors. They mobilized \$4.5 million in cash and \$0.8 million in kind. In Ecuador, the Spanish International Cooperation Agency (AECI) contributed \$160,000 to the Comité de Desarrollo Local de Guamote (EC-364) for a livestock development project, and the German Development Agency (GTZ) contributed \$3,500 for tourism. In Honduras, World Neighbors of Oklahoma contributed \$70,000 in cash to Vecinos Mundiales de Honduras (VMH, grant HO-225) for local development. Germany's Misereor (Bischofliches Hilfswerk Misereor), World Neighbors of Canada and the World Wildlife Fund contributed \$82,500 in cash to VMH. Also in Honduras, the American Jewish World Services contributed \$51,336 to Proyecto Aldea Global (PAG, grant HO-223) for the Panacari model farm project, which teaches over 240 Honduran farm families alternative methods to subsistence farming. Other contributors to the Panacari project were the European Economic Community and the Canadian Government, contributing \$316,675 and \$65,898, respectively. In El Salvador, the Swedish Agency for Development Cooperation (SIDA) contributed \$344,590 to the Fundación Salvadoreña de Apoyo Integral (FUSAI, grant ES-174) in El Salvador for technical assistance. Other donors to FUSAI were Embosalsa, the bottlers of Coca-Cola in El Salvador, and Nejapa Power, the electric power company, each contributing \$38,424. Over 100 international, national, and

local organizations contributed cash and in-kind resources to initiatives and efforts of IAF grantees to help the poor to help themselves in Latin America and the Caribbean.

Table 8 indicates grantees in El Salvador, Honduras and Nicaragua, the three countries affected by Hurricane Mitch in October 1998, mobilized more than \$2.7 million. Grantees in Venezuela mobilized more than \$700,000 from PDVSA, the Venezuelan petroleum company.

Table 8: Resources Mobilized by Country

Country	Cash	In-kind	Total
Argentina	10,200	Not reported	10,200
Bolivia	60,558	92,091	152,650
Brazil	162,095	136,527	298,622
CA-Regional	18,128	Not reported	18,128
Colombia	Not reported	8,013	8,013
Dominican Republic	133,492	154,666	288,158
Ecuador	377,663	82,295	459,958
El Salvador	1,102,912	68,880	1,171,792
Guatemala	44,573	19,284	63,857
Honduras	678,444	25,816	704,475
Mexico	348,773	67,546	416,319
Nicaragua	861,965	4,825	866,791
Panama	113,158	11,380	124,538
Peru	7,313	31,206	38,519
Venezuela	625,928	92,025	717,953
Total	4,545,417	794,554	5,339,971

Resource Brokering. Brokered resources refers to the amount of financial, material or human resources leveraged by grantees and directed to community groups. They are not part of the grantees' budget or accounting system, nor are they distributed by grantees. These resources brokered from domestic and foreign sources directly support grassroots programs and organizations. Figure 5 indicates that \$3.9 million were negotiated and channeled by IAF grantees to grassroots organizations during Fiscal Year 2000.

It is important to note that national private businesses provided more than \$1.3 million to local organizations for project activities. Direct contributions to community groups by private businesses were twice the amount channeled through grantee organizations. Private businesses seek publicity and gain more recognition for their philanthropy by contributing directly to local grassroots development. For example, Fundação Abrinq pelos Direitos da Criança (ABRINQ, grant BR-774) in Brazil brokered almost \$500,000 from 1,253 individuals and businesses to support the "Our Children" program, which encourages individuals and/or businesses to "adopt a child" for about \$52 per month. Also, ABRINQ and NATURA, a Brazilian cosmetics company, supported the "Believe to See" program, which benefits 3,516 public and private schools in 20 states in Brazil. Financiamiento Rural (FUNDEFIR, grant VZ-180) in Venezuela obtained from PDVSA, the state-owned petroleum company, a \$113,320 donation for micro-credit local financial entities to support family microbusinesses in Nueva Esparta.

Linkages/Entities. This indicator refers to the number of entities cooperating formally or informally with the grantee organization to achieve its goals and objectives. In some instances, the linkages may predate and/or go beyond grant activities. In Fiscal Year 2000, grantees reported affiliations with 5,146 national and 241 foreign organizations and/or associations. They also established links with 161 national and 55 foreign networks.

Cooperation. The cooperation indicator refers to the number of organizations in a functional relationship with the grantee. This may include planning or implementing activities jointly or separately that benefit the same target groups. As expected, non-governmental organizations and community groups have cooperated with grantees in very

meaningful ways to support project activities. Religious organizations have a lesser role than non-governmental organizations and the private sector. The Centro de Investigación y Capacitación Campesina (CICCA, grant PU-475) in Peru seeks to increase the income of beneficiaries by increasing the vicuña herd and its highly marketable fiber for sweaters. Two local private companies helped the grantee and beneficiaries. One maintained the road for easy access and transportation to the herds on 2,470 acres, and the other patrolled the vicuña herds to prevent losses. The municipality also contributed resources to build the infrastructure for the herds.

Table 9: Type of Organizations in Cooperation with Grantees

Type	Number of Organizations
Business	397
Religious	114
Government	363
Non-governmental organizations (NGOs)	789
Community	1,578
Other	162
Total	3,503

Partnerships. The partnership indicator refers to the number and type of organizations that have established a formal and/or legal relationship with the grantee to achieve common objectives. Partnering involves the pooling of resources, whether financial, material and/or human, to carry out activities that benefit the project target group. Partners also participate jointly in the decision-making process.

Table 10: Number and Type of Organizations in Partnership with Grantees

Type	Number of Organizations
Business	230
Religious	29
Government	201
Non-governmental organizations	265
Community	645
Other	135
Total	1,505

Table 10 indicates that grantees established 329 partnerships with community-based organizations, the private sector and international organizations. The Centro Mexicano para la Filantropía (CEMEFI, grant ME-422) in Mexico partnered with the Bank of Boston, Coca-Cola Export, Grupo Financiero Bital, Jansen Cilag, Nestlé and Wal-Mart to implement project activities. CEMEFI also reported 13 partnerships with foundations such as Fomento Cultural Banamex, José Cuervo Foundation, Bancomer Cultural Foundation, J.P. Morgan Foundation, Purina Foundation and the Instituto Cultural Domecq. The Fundación Comunitaria Oaxaca (FUNCOM, grant ME-415), also in Mexico, partnered with the Kellogg and MacArthur Foundations, the Universidad Mesoamericana, Jumabeco and the municipality of San Jerónimo Tlaxopa to expand project activities. In Argentina, the Chaco Forest Producers Association partnered with the Fundación para el Desarrollo Centro Chaqueño (FUNDECCH, grant AR-328) to help wood craftsmen to produce and sell their products. The Association provided technical assistance and FUNDECCH provided financial support and marketing analysis.

IAF GRANTS IMPROVE SOCIETIES AT LARGE

IAF-supported projects also impacted local and national populations. Following are examples of legal measures and policies that affected populations beyond the grantee and direct beneficiaries.

Enacting and Implementing Legal Measures. These indicators refer to the number of laws, statutes, regulations and other legal measures that were enacted and/or implemented during the reporting period as a result of grant activities. Four legal measures were enacted and one was implemented at the national level; three were passed and one was implemented at the regional level; 32 were enacted and 13 implemented at the local level.

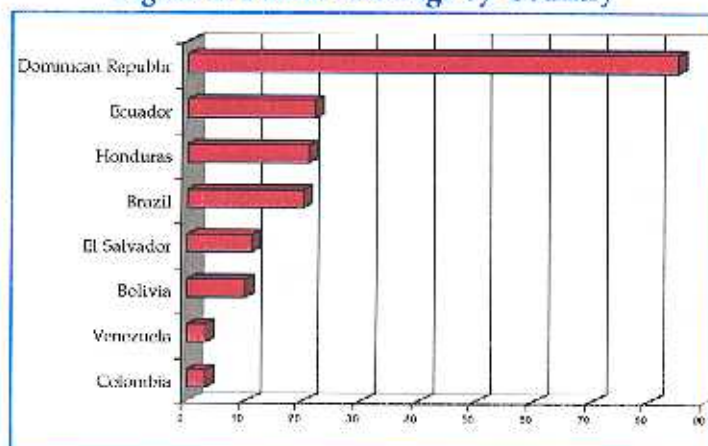
Below are some of the legal measures that were enacted or implemented:

- ❖ The Patronato para el Desarrollo de las Comunidades de Morazán y San Miguel in El Salvador (PADECOMSM, grant ES-180) helped to enact and implement three statutes to establish the Associations for Community Development in the hamlets of El Limón and Maragua and in the urban zone of Torola.

- ❖ The grantee, the Asociación para la Vivienda Popular in Colombia (AVPB, grant CO-487), convinced the Ministry of Environmental Affairs to include the ecological sensitive Guájaro region in environmental policies.
- ❖ The Comité de Desarrollo Local de Guamote in Ecuador (EC-364) helped draft an environmental protection ordinance that was later approved and implemented by the Municipal Council of Guamote.
- ❖ Vecinos Mundiales de Honduras (VMH, grant HO-225) in Honduras helped draft four community ordinances to regulate the use of potable water. The grantee also participated in the drafting of a bill to regulate the use of natural resources in the biosphere of the Plátano River.

Public Fora. Public fora refers to the number of issues brought up and/or discussed in public meetings or the media by the grantee as a result of grant activities. Generally, these discussions benefit civil society at large and, specifically, grantees and their beneficiaries. Centro Bono (DR-297), Alianza (DR-300) and CIDC (DR-306) in the Dominican Republic reported holding 44 discussions on citizen's rights and responsibilities; 28 public meetings on basic services (e.g., solid waste management); and 13 meetings on topics such as the need for reliable data in the country, the role of the business sector in local or regional development, and job creation. In Brazil, the Centro de Assessoria e Estudos Urbanos (CIDADE, grant BR-762) participated in the Latin American Conference for Non-Governmental Organizations led by the International Forum on Capacity Building, the Associação Brasileira de Organizações Não Governamentais (ABONG) and Asociación Latinoamericana de Organizaciones de Promoción (ALOP). CIDADE presented a paper "Partnerships for Local Development: CIDADE's Experience in Porto Alegre."

Figure 6. Public Meetings by Country



Dissemination. This indicator refers to the number of products (pamphlets, brochures, magazines, books and other published material) generated and distributed to communicate approaches, practices or techniques to others besides grantees. Grantees reported 293 speeches or presentations reached more than 13,000 individuals. There were 648 different pamphlets and brochures produced with more than 100,000 copies distributed. Also, 197 magazine and newspaper articles were published reaching a readership of 450,000. Thirty-one books were published and more than 2,000 copies distributed. Twenty-six multimedia products, films and videos, and nine compact discs (CD-ROM) were produced and distributed.

Table 11: Dissemination Activities

Dissemination	Issues	Estimated Population Reached
Speeches and/or presentations	293	13,177
Television/radio interviews	313	219,124
Brochures/pamphlets	648	78,808
Magazine and newspaper articles	197	450,000
Press releases	142	418,608
Books	31	11,704
Videos/films	26	10,632
CD ROMS	9	150

In Argentina, the Center for the Studies of State and Society (CEDES, grant AR-316) discussed the social responsibility of the private sector in the Social Sector

Forum, a group of 184 non-governmental organizations and base groups. The event was covered in the national press, including the August 20, 2000 edition of *La Nación*, the leading Argentine newspaper. The Centro Ecológico (CE, grant BR-761) in Brazil translated and distributed 4,000 copies of the book by R. Gliessman titled *Agro-ecology - Ecological Processes in Sustainable Agriculture*. The Fundación del Empresariado Chihuahuense (FECHAC, grant ME-416) in Mexico had a newspaper article in *Notidiócesis*, (circulation 12,000) about the IAF partnership study by the Education Development Center. Also, FECHAC reported that its president gave a speech at the Third Sector Ibero-American Conference in Cartagena, Colombia, to a gathering of non-governmental organizations, international lending institutions and international development agencies that discussed the role of civil society in fostering economic development at the grassroots level. The next meeting will be in Barcelona, Spain, in 2002. The Desarrollo de la Cultura Ecológica (FOMCEC, grant ME-432), also in Mexico, published two articles in May and September 2000 about environmental issues in the *Boletín Equilibrio Ecológico* (Ecological Equilibrium Bulletin). The Fundación para la Defensa de la Naturaleza (FUDENA, grant VZ-178) in Venezuela distributed 12 press releases that were printed in two of the principal newspapers in the state of Falcón, *Notitarde* and *La Mañana*.

CONCLUSION

Fiscal Year 2000 was a transition period for the IAF. Grant results collected previously by in-country services (ICS) staff came to a halt when budget cut-backs forced the IAF to close permanently all its ICS offices in June 2000. To continue with its grant monitoring functions and meet the Government Performance and Results Act (GPRA) requirements, the IAF began contracting individuals working out of their own homes who had access to the Internet to provide data verification services similar to those rendered by the closed ICS offices. Unlike previous ICS personnel, the new contracted staff was well versed in data collection methodologies, since the majority had acquired statistical backgrounds through education or work experience. During this period of uncertainty and budget contraction, the IAF's major concern was monitoring costs, which were reduced significantly when the IAF opted for individuals, rather than established businesses, to conduct grant results verification visits.

With the new data verification staff in place, the number of grants reporting results in Fiscal Year 2000 surged from 86 to 144, an increase of 167 percent from the previous period but still short of the IAF goal of complete coverage for all its more than 200 grants. As grantees continue to familiarize themselves with the GDF and establish good rapport with the new data verifiers, the reliability and timeliness of the data reported are expected to improve. Semi-annual site visits by data verifiers not only help the grant results verification process but also give grantees the opportunity to discuss data collection problems with the verifiers and take appropriate action. In this connection, the Evaluation and Dissemination Office of the IAF is in the process of fine-tuning the GDF and developing a procedural manual which will guide data verifiers and grantees in gathering and presenting grant results.

Regarding grant results, Fiscal Year 2000 proved successful, though challenging. The results presented portray the vast array of projects the IAF supported in Latin America and the Caribbean, from training in basic reading and writing skills in very poor districts of São Paulo, Brazil, to establishment of communal banks in Venezuela. Training permeated most of the IAF grants. One- or two-day

workshops with emphasis on application were the norm. Not surprisingly, the results obtained corroborated expected outcomes, especially in the areas of agriculture, construction, marketing and the environment. Women benefited tremendously from their heavy participation in all workshops.

Another area where IAF grantees excelled was in the mobilization of resources (financial, human, material) to help needy people in Latin America. Although one-third of grantees failed to report on time, those that did were able to leverage slightly more than \$5.3 million, mostly in cash, during Fiscal Year 2000. Additionally, IAF grantees were instrumental in brokering \$2.3 million over the same period on behalf of their beneficiaries. Partnering with public and private entities was instrumental in efforts to mobilize resources, and grantees recognized the benefits of cooperation toward maximizing the impact of scarce resources on grassroots development projects.

Finally, grantees' accomplishments in Fiscal Year 2000 went beyond the clientele they directly served. Their activities had a multiplier effect that transcended their intended target. Though these activities could not be measured, they did not go unnoticed. Proven methods have been replicated and techniques copied by other organizations that have seen, first-hand, the results obtained by grant beneficiaries. Through their dissemination activities, grantees are sharing with non-governmental organizations, donor agencies and development practitioners lessons learned, which helps them, in turn, design better projects to reduce poverty.





For information contact:

**Office of Evaluation and Dissemination
Inter-American Foundation
901 N. Stuart Street, 10th Floor,
Arlington, VA 22203**

Production: Office of Evaluation and Dissemination